

RESOLUTION MLGC NO. 20120910-MLGC003

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
MUELLER LOCAL GOVERNMENT CORPORATION**

The Board approves the Operating Budget for the Mueller Local
Government Corporation for the 2012 – 2013 Fiscal Year, beginning
October 1, 2012 and ending September 30, 2013, attached to this resolution.

ADOPTED: September 10, 2012 **ATTEST:**


Kevin Johns
Secretary

Mueller Local Government Corporation

Purpose and Nature of Fund

This fund was created to issue debt related to the development of the Mueller Redevelopment Project.

To facilitate the redevelopment of property formerly known as the Robert Mueller Municipal Airport, the City entered into a Master Development Agreement with Catellus Austin, LLC. The City agreed to issue debt to finance certain "Public Finance Reimbursement Project Costs," either directly or through the Corporation. Approximately \$12,000,000 in Contract Revenue Bonds was issued in August 2006, approximately \$15,000,000 was issued in September 2009 and approximately \$16,735,000 will be issued in September 2012.

In addition, ad valorem taxes collected within the Mueller Tax Increment Financing Zone (TIF) will be transferred to the Corporation from the Tax Increment Fund to fund debt service requirements associated with the Mueller Project.

Factors Affecting Revenue

Mueller Local Government Corporation Revenue includes \$981,819 from the Economic Incentives Reserve Fund for debt service of the 2006 Contract Revenue Bonds and a transfer in the amount of \$2,359,189 from ad valorem taxes collected within the zone for debt service related to the 2009 and 2012 bond issuance. Future revenues from the Tax Increment Fund will be used for future debt issuances related to the Mueller Redevelopment Project.

Factors Affecting Requirements

The proposed expenditures of \$3,003,521 from the Mueller Local Government Corporation include debt service for principal and interest payments and administrative costs.

	2009-10 Actual	2010-11 Actual	2011-12 Amended	2011-12 Estimate	2012-13 Proposed
Transfers In	\$2,767,384	\$1,957,047	\$2,864,170	\$2,864,170	\$3,341,008
Requirements	\$1,510,284	\$2,377,393	\$2,156,744	\$2,156,744	\$3,003,521

**MUELLER LOCAL GOVERNMENT CORPORATION
2012-2013 OPERATING BUDGET**

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 AMENDED	2011-12 ESTIMATE	2012-13 PROPOSED
BEGINNING BALANCE	222,429	1,552,755	1,130,190	1,132,009	1,839,435
REVENUE					
City of Austin Grant	982,456	983,069	982,856	982,856	981,819
Accrued Interest Income	0	0	0	0	0
Tax Increment Financing	1,783,806	972,064	1,881,314	1,881,314	2,239,980
Interest Income	1,122	1,914	0	0	0
TOTAL REVENUE AND TRANSFERS IN	<u>2,767,384</u>	<u>1,957,047</u>	<u>2,864,170</u>	<u>2,864,170</u>	<u>3,221,799</u>
REQUIREMENTS					
Principal	1,014,134	1,140,000	1,120,000	1,120,000	1,500,000
Interest Expense	41,586	1,023,881	1,033,544	1,033,544	1,503,521
Other	454,564	250	3,200	3,200	0
Transfer to Mueller TIF*		213,262	0	0	0
TOTAL REQUIREMENTS	<u>1,510,284</u>	<u>2,377,393</u>	<u>2,156,744</u>	<u>2,156,744</u>	<u>3,003,521</u>
EXCESS (DEFICIENCY) OF REVENUE OVER REQUIREMENTS	<u>1,257,100</u>	<u>(420,346)</u>	<u>707,426</u>	<u>707,426</u>	<u>218,278</u>
ADJUSTMENT TO GAAP	<u>73,226</u>	<u>(400)</u>	<u>0</u>	<u>0</u>	<u>0</u>
ENDING BALANCE	<u>1,552,755</u>	<u>1,132,009</u>	<u>1,837,616</u>	<u>1,839,435</u>	<u>2,057,713</u>